

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:144

ANSWERED ON:17.07.2017

Problems of Rubber Growers

George Shri (Adv.) Joice; Mohammed Shri Faizal P.P.; Mullappally Shri Ramachandran

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether the Government has any mechanism to control the rubber price fall and if so, the details thereof;
- (b) whether the Government is planning any price stabilization funds to support the struggling rubber farmers in the country and if so, the details thereof;
- (c) whether the Government proposes to provide any financial assistance/revival packages for rubber farmers and plantation agriculture sector and if so, the details thereof;
- (d) whether the Government has conducted any study to understand the real issues faced by rubber growers and if so, the details thereof along with the steps taken to address these issues; and
- (e) whether the Government has rejected the proposal to declare a national policy on rubber and if so, the details thereof along with the reasons therefor and if not, the decision taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a) No, Madam. The Natural Rubber (NR) prices are determined by market fundamentals and a range of factors which inter alia includes trends in economic growth in major consuming countries, oil/synthetic rubber prices, weather conditions and developments in futures markets. Domestic NR market generally follows the trends in world market with occasional divergences due to region specific and seasonal factors.

(b) & (c) The Government has approved a market-linked Revenue Insurance Scheme for Plantation Crops (RISPC) for protecting the farmers of plantation crops, including rubber farmers, against losses arising from fluctuations in yield as well as prices. Initially, Palakkad district in Kerala was selected for implementation of the Scheme on pilot basis in NR sector. Subsequently, Kottayam district was also included in March 2017. Government is also providing financial assistance to farmers of plantation agriculture sector, through various Schemes such as Sustainable and Inclusive Development of Natural Rubber Sector, Tea Development and Promotion Scheme, Integrated Coffee Development Project and Export Oriented Production, Export Development & Promotion of Spices. No revival package is being considered at present.

(d) No, Madam.

(e) The Government has already taken action on many of recommendations of the Expert Committee on Natural Rubber Policy. As recommended, Revenue Insurance Scheme for Plantation Crops and Scheme for promoting Processing of Block Rubber from Latex Coagulum has already been approved by the Government. However, no policy has been framed for any particular plantation crop and therefore, it has been decided not to formulate a separate policy for Natural Rubber.
